

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To provide for biofuels.

**IN THE SENATE OF THE UNITED STATES—110th Cong., 1st Sess.**

**S. 2191**

To direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CRAIG

Viz:

1 At the end, add the following:

2 **TITLE XII—BIOFUELS FOR EN-**  
3 **ERGY SECURITY AND TRANS-**  
4 **PORTATION**

5 **SEC. 12001. SHORT TITLE.**

6 This title may be cited as the “Biofuels for Energy  
7 Security and Transportation Act of 2007”.

8 **SEC. 12002. DEFINITIONS.**

9 In this title:

1           (1) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of the Environ-  
3           mental Protection Agency.

4           (2) ADVANCED BIOFUEL.—

5                 (A) IN GENERAL.—The term “advanced  
6                 biofuel” means fuel derived from renewable bio-  
7                 mass other than corn starch.

8                 (B) INCLUSIONS.—The term “advanced  
9                 biofuel” includes—

10                         (i) ethanol derived from cellulose,  
11                         hemicellulose, or lignin;

12                         (ii) ethanol derived from sugar or  
13                         starch, other than ethanol derived from  
14                         corn starch;

15                         (iii) ethanol derived from waste mate-  
16                         rial, including crop residue, other vegeta-  
17                         tive waste material, animal waste, and food  
18                         waste and yard waste;

19                         (iv) diesel-equivalent fuel derived from  
20                         renewable biomass, including vegetable oil  
21                         and animal fat;

22                         (v) biogas (including landfill gas and  
23                         sewage waste treatment gas) produced  
24                         through the conversion of organic matter  
25                         from renewable biomass;

1 (vi) butanol or other alcohols pro-  
2 duced through the conversion of organic  
3 matter from renewable biomass; and

4 (vii) other fuel derived from cellulosic  
5 biomass.

6 (3) CELLULOSIC BIOMASS ETHANOL.—The  
7 term “cellulosic biomass ethanol” means ethanol de-  
8 rived from any cellulose, hemicellulose, or lignin that  
9 is derived from renewable biomass.

10 (4) CONVENTIONAL BIOFUEL.—The term “con-  
11 ventional biofuel” means ethanol derived from corn  
12 starch.

13 (5) RENEWABLE BIOMASS.—The term “renew-  
14 able biomass” means—

15 (A) nonmerchantable materials or  
16 precommercial thinnings that—

17 (i) are byproducts of preventive treat-  
18 ments, such as trees, wood, brush,  
19 thinnings, chips, and slash, that are re-  
20 moved—

21 (I) to reduce hazardous fuels;

22 (II) to reduce or contain disease  
23 or insect infestation; or

24 (III) to restore forest health;

1 (ii) would not otherwise be used for  
2 higher-value products; and

3 (iii) are harvested from National For-  
4 est System land or public land (as defined  
5 in section 103 of the Federal Land Policy  
6 and Management Act of 1976 (43 U.S.C.  
7 1702))—

8 (I) where permitted by law; and

9 (II) in accordance with—

10 (aa) applicable land manage-  
11 ment plans; and

12 (bb) the requirements for  
13 old-growth maintenance, restora-  
14 tion, and management direction  
15 of paragraphs (2), (3), and (4) of  
16 subsection (e) and the require-  
17 ments for large-tree retention of  
18 subsection (f) of section 102 of  
19 the Healthy Forests Restoration  
20 Act of 2003 (16 U.S.C. 6512); or

21 (B) any organic matter that is available on  
22 a renewable or recurring basis from non-Fed-  
23 eral land or from land belonging to an Indian  
24 tribe, or an Indian individual, that is held in  
25 trust by the United States or subject to a re-

1           striction against alienation imposed by the  
2           United States, including—

3                   (i) renewable plant material, includ-  
4                   ing—

5                           (I) feed grains;

6                           (II) other agricultural commod-  
7                   ities;

8                           (III) other plants and trees; and

9                           (IV) algae; and

10                   (ii) waste material, including—

11                           (I) crop residue;

12                           (II) other vegetative waste mate-  
13                   rial (including wood waste and wood  
14                   residues);

15                           (III) animal waste and byprod-  
16                   ucts (including fats, oils, greases, and  
17                   manure); and

18                           (IV) food waste and yard waste.

19           (6) RENEWABLE FUEL.—

20                   (A) IN GENERAL.—The term “renewable  
21           fuel” means motor vehicle fuel or home heating  
22           fuel that is—

23                           (i) produced from renewable biomass;

24                   and

1 (ii) used to replace or reduce the  
2 quantity of fossil fuel present in a fuel or  
3 fuel mixture used to operate a motor vehi-  
4 cle or furnace.

5 (B) INCLUSION.—The term “renewable  
6 fuel” includes—

7 (i) conventional biofuel; and

8 (ii) advanced biofuel.

9 (7) SECRETARY.—The term “Secretary” means  
10 the Secretary of Energy

11 (8) SMALL REFINERY.—The term “small refin-  
12 ery” means a refinery for which the average aggre-  
13 gate daily crude oil throughput for a calendar year  
14 (as determined by dividing the aggregate throughput  
15 for the calendar year by the number of days in the  
16 calendar year) does not exceed 75,000 barrels.

## 17 **Subtitle A—Clean Fuel Standard**

### 18 **SEC. 12011. CLEAN FUEL STANDARD.**

19 (a) CLEAN FUEL PROGRAM.—

20 (1) REGULATIONS.—

21 (A) IN GENERAL.—Not later than 1 year  
22 after the date of enactment of this Act, the  
23 President shall promulgate regulations to en-  
24 sure that motor vehicle fuel and home heating  
25 oil sold or introduced into commerce in the

1 United States (except in noncontiguous States  
2 or territories), on an annual average basis, con-  
3 tains the applicable volume of renewable fuel  
4 determined in accordance with paragraph (2).

5 (B) PROVISIONS OF REGULATIONS.—Re-  
6 gardless of the date of promulgation, the regu-  
7 lations promulgated under subparagraph (A)—

8 (i) shall contain compliance provisions  
9 applicable to refineries, blenders, distribu-  
10 tors, and importers, as appropriate, to en-  
11 sure that—

12 (I) the requirements of this sub-  
13 section are met; and

14 (II) renewable fuels produced  
15 from facilities that commence oper-  
16 ations after the date of enactment of  
17 this Act achieve at least a 50 percent  
18 reduction in life cycle greenhouse gas  
19 emissions compared to gasoline; but

20 (ii) shall not—

21 (I) restrict geographic areas in  
22 the contiguous United States in which  
23 renewable fuel may be used; or

24 (II) impose any per-gallon obliga-  
25 tion for the use of renewable fuel.

1 (C) RELATIONSHIP TO OTHER REGULA-  
 2 TIONS.—Regulations promulgated under this  
 3 paragraph shall, to the maximum extent prac-  
 4 ticable, incorporate the program structure, com-  
 5 pliance, and reporting requirements established  
 6 under the final regulations promulgated to im-  
 7 plement the clean fuel program established by  
 8 the amendment made by section 1501(a)(2) of  
 9 the Energy Policy Act of 2005 (Public Law  
 10 109–58; 119 Stat. 1067).

11 (2) APPLICABLE VOLUME.—

12 (A) CALENDAR YEARS 2008 THROUGH  
 13 2022.—

14 (i) RENEWABLE FUEL.—For the pur-  
 15 pose of paragraph (1), subject to clause  
 16 (ii), the applicable volume for any of cal-  
 17 endar years 2008 through 2022 shall be  
 18 determined in accordance with the fol-  
 19 lowing table:

Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2008	8.5
2009	10.5
2010	12.0
2011	12.6
2012	13.2
2013	13.8
2014	14.4
2015	15.0
2016	18.0
2017	21.0
2018	24.0



<b>Calendar year:</b>	<b>Applicable volume of renewable fuel (in billions of gallons):</b>
2019 .....	27.0
2020 .....	30.0
2021 .....	33.0
2022 .....	36.0.

1                   (ii) ADVANCED BIOFUELS.—For the  
2                   purpose of paragraph (1), of the volume of  
3                   renewable fuel required under clause (i),  
4                   the applicable volume for any of calendar  
5                   years 2016 through 2022 for advanced  
6                   biofuels shall be determined in accordance  
7                   with the following table:

<b>Calendar year:</b>	<b>Applicable volume of advanced biofuels (in billions of gallons):</b>
2016 .....	3.0
2017 .....	6.0
2018 .....	9.0
2019 .....	12.0
2020 .....	15.0
2021 .....	18.0
2022 .....	21.0.

8                   (B) CALENDAR YEAR 2023 AND THERE-  
9                   AFTER.—Subject to subparagraph (C), for the  
10                  purposes of paragraph (1), the applicable vol-  
11                  ume for calendar year 2023 and each calendar  
12                  year thereafter shall be determined by the  
13                  President, in coordination with the Secretary of  
14                  Energy, the Secretary of Agriculture, and the  
15                  Administrator, based on a review of the imple-  
16                  mentation of the program during calendar years  
17                  2007 through 2022, including a review of—

1 (i) the impact of renewable fuels on  
2 the energy security of the United States;

3 (ii) the expected annual rate of future  
4 production of renewable fuels, including  
5 advanced biofuels;

6 (iii) the impact of renewable fuels on  
7 the infrastructure of the United States, in-  
8 cluding deliverability of materials, goods,  
9 and products other than renewable fuel,  
10 and the sufficiency of infrastructure to de-  
11 liver renewable fuel; and

12 (iv) the impact of the use of renewable  
13 fuels on other factors, including job cre-  
14 ation, the price and supply of agricultural  
15 commodities, rural economic development,  
16 and the environment.

17 (C) MINIMUM APPLICABLE VOLUME.—Sub-  
18 ject to subparagraph (D), for the purpose of  
19 paragraph (1), the applicable volume for cal-  
20 endar year 2023 and each calendar year there-  
21 after shall be equal to the product obtained by  
22 multiplying—

23 (i) the number of gallons of gasoline  
24 that the President estimates will be sold or

1 introduced into commerce in the calendar  
2 year; and

3 (ii) the ratio that—

4 (I) 36,000,000,000 gallons of re-  
5 newable fuel; bears to

6 (II) the number of gallons of gas-  
7 oline sold or introduced into com-  
8 merce in calendar year 2022.

9 (D) MINIMUM PERCENTAGE OF ADVANCED  
10 BIOFUEL.—For the purpose of paragraph (1)  
11 and subparagraph (C), at least 60 percent of  
12 the minimum applicable volume for calendar  
13 year 2023 and each calendar year thereafter  
14 shall be advanced biofuel.

15 (b) APPLICABLE PERCENTAGES.—

16 (1) PROVISION OF ESTIMATE OF VOLUMES OF  
17 GASOLINE SALES.—Not later than October 31 of  
18 each of calendar years 2008 through 2021, the Ad-  
19 ministrator of the Energy Information Administra-  
20 tion shall provide to the President an estimate, with  
21 respect to the following calendar year, of the vol-  
22 umes of gasoline projected to be sold or introduced  
23 into commerce in the United States.

24 (2) DETERMINATION OF APPLICABLE PERCENT-  
25 AGES.—

1 (A) IN GENERAL.—Not later than Novem-  
2 ber 30 of each of calendar years 2008 through  
3 2022, based on the estimate provided under  
4 paragraph (1), the President shall determine  
5 and publish in the Federal Register, with re-  
6 spect to the following calendar year, the renew-  
7 able fuel obligation that ensures that the re-  
8 quirements of subsection (a) are met.

9 (B) REQUIRED ELEMENTS.—The renew-  
10 able fuel obligation determined for a calendar  
11 year under subparagraph (A) shall—

12 (i) be applicable to refineries, blend-  
13 ers, and importers, as appropriate;

14 (ii) be expressed in terms of a volume  
15 percentage of gasoline sold or introduced  
16 into commerce in the United States; and

17 (iii) subject to paragraph (3)(A), con-  
18 sist of a single applicable percentage that  
19 applies to all categories of persons speci-  
20 fied in clause (i).

21 (3) ADJUSTMENTS.—In determining the appli-  
22 cable percentage for a calendar year, the President  
23 shall make adjustments—

1 (A) to prevent the imposition of redundant  
2 obligations on any person specified in para-  
3 graph (2)(B)(i); and

4 (B) to account for the use of renewable  
5 fuel during the previous calendar year by small  
6 refineries that are exempt under subsection (g).

7 (c) VOLUME CONVERSION FACTORS FOR RENEW-  
8 ABLE FUELS BASED ON ENERGY CONTENT OR REQUIRE-  
9 MENTS.—

10 (1) IN GENERAL.—For the purpose of sub-  
11 section (a), the President shall assign values to spe-  
12 cific types of advanced biofuels for the purpose of  
13 satisfying the fuel volume requirements of subsection  
14 (a)(2) in accordance with this subsection.

15 (2) ENERGY CONTENT RELATIVE TO ETH-  
16 ANOL.—For advanced biofuel, 1 gallon of the ad-  
17 vanced biofuel shall be considered to be the equiva-  
18 lent of 1 gallon of renewable fuel multiplied by the  
19 ratio that—

20 (A) the number of British thermal units of  
21 energy produced by the combustion of 1 gallon  
22 of the advanced biofuel (as measured under  
23 conditions determined by the Administrator);  
24 bears to

1 (B) the number of British thermal units of  
2 energy produced by the combustion of 1 gallon  
3 of pure ethanol (as measured under conditions  
4 determined by the Administrator to be com-  
5 parable to conditions described in subparagraph  
6 (A)).

7 (3) TRANSITIONAL ENERGY-RELATED CONVER-  
8 SION FACTORS FOR CELLULOSIC BIOMASS ETH-  
9 ANOL.—For any of calendar years 2008 through  
10 2015, 1 gallon of cellulosic biomass ethanol shall be  
11 considered to be the equivalent of 2.5 gallons of re-  
12 newable fuel.

13 (d) CREDIT PROGRAM.—

14 (1) IN GENERAL.—The President, in consulta-  
15 tion with the Secretary and the Administrator, shall  
16 implement a credit program to manage the renew-  
17 able fuel requirement of this section in a manner  
18 consistent with the credit program established by the  
19 amendment made by section 1501(a)(2) of the En-  
20 ergy Policy Act of 2005 (Public Law 109–58; 119  
21 Stat. 1067).

22 (2) MARKET TRANSPARENCY.—In carrying out  
23 the credit program under this subsection, the Presi-  
24 dent shall facilitate price transparency in markets  
25 for the sale and trade of credits, with due regard for

1 the public interest, the integrity of those markets,  
2 fair competition, and the protection of consumers  
3 and agricultural producers.

4 (e) SEASONAL VARIATIONS IN RENEWABLE FUEL  
5 USE.—

6 (1) STUDY.—For each of calendar years 2008  
7 through 2022, the Administrator of the Energy In-  
8 formation Administration shall conduct a study of  
9 renewable fuel blending to determine whether there  
10 are excessive seasonal variations in the use of renew-  
11 able fuel.

12 (2) REGULATION OF EXCESSIVE SEASONAL  
13 VARIATIONS.—If, for any calendar year, the Admin-  
14 istrator of the Energy Information Administration,  
15 based on the study under paragraph (1), makes the  
16 determinations specified in paragraph (3), the Presi-  
17 dent shall promulgate regulations to ensure that 25  
18 percent or more of the quantity of renewable fuel  
19 necessary to meet the requirements of subsection (a)  
20 is used during each of the 2 periods specified in  
21 paragraph (4) of each subsequent calendar year.

22 (3) DETERMINATIONS.—The determinations re-  
23 ferred to in paragraph (2) are that—

24 (A) less than 25 percent of the quantity of  
25 renewable fuel necessary to meet the require-

1           ments of subsection (a) has been used during 1  
2           of the 2 periods specified in paragraph (4) of  
3           the calendar year;

4                 (B) a pattern of excessive seasonal vari-  
5           ation described in subparagraph (A) will con-  
6           tinue in subsequent calendar years; and

7                 (C) promulgating regulations or other re-  
8           quirements to impose a 25 percent or more sea-  
9           sonal use of renewable fuels will not signifi-  
10          cantly—

11                         (i) increase the price of motor fuels to  
12                         the consumer; or

13                         (ii) prevent or interfere with the at-  
14                         tainment of national ambient air quality  
15                         standards.

16           (4) PERIODS.—The 2 periods referred to in this  
17          subsection are—

18                         (A) April through September; and

19                         (B) January through March and October  
20                         through December.

21          (f) WAIVERS.—

22                         (1) IN GENERAL.—The President, in consulta-  
23           tion with the Secretary of Energy, the Secretary of  
24           Agriculture, and the Administrator, may waive the  
25           requirements of subsection (a) in whole or in part on



1 petition by one or more States by reducing the na-  
2 tional quantity of renewable fuel required under sub-  
3 section (a), based on a determination by the Presi-  
4 dent (after public notice and opportunity for com-  
5 ment), that—

6 (A) implementation of the requirement  
7 would severely harm the economy or environ-  
8 ment of a State, a region, or the United States;  
9 or

10 (B) extreme and unusual circumstances  
11 exist that prevent distribution of an adequate  
12 supply of domestically-produced renewable fuel  
13 to consumers in the United States.

14 (2) PETITIONS FOR WAIVERS.—The President,  
15 in consultation with the Secretary of Energy, the  
16 Secretary of Agriculture, and the Administrator,  
17 shall approve or disapprove a State petition for a  
18 waiver of the requirements of subsection (a) within  
19 30 days after the date on which the petition is re-  
20 ceived by the President.

21 (3) TERMINATION OF WAIVERS.—A waiver  
22 granted under paragraph (1) shall terminate after 1  
23 year, but may be renewed by the President after  
24 consultation with the Secretary of Energy, the Sec-  
25 retary of Agriculture, and the Administrator.

1 (g) SMALL REFINERIES.—

2 (1) TEMPORARY EXEMPTION.—

3 (A) IN GENERAL.—The requirements of  
4 subsection (a) shall not apply to—

5 (i) small refineries (other than a small  
6 refinery described in clause (ii)) until cal-  
7 endar year 2013; and

8 (ii) small refineries owned by a small  
9 business refiner (as defined in section  
10 45H(c) of the Internal Revenue Code of  
11 1986) until calendar year 2015.

12 (B) EXTENSION OF EXEMPTION.—

13 (i) STUDY BY ADMINISTRATOR.—Not  
14 later than December 31, 2008, the Admin-  
15 istrator shall submit to the President and  
16 Congress a report describing the results of  
17 a study to determine whether compliance  
18 with the requirements of subsection (a)  
19 would impose a disproportionate economic  
20 hardship on small refineries.

21 (ii) EXTENSION OF EXEMPTION.—In  
22 the case of a small refinery that the Ad-  
23 ministrator determines under clause (i)  
24 would be subject to a disproportionate eco-  
25 nomic hardship if required to comply with

1 subsection (a), the President shall extend  
2 the exemption under subparagraph (A) for  
3 the small refinery for a period of not less  
4 than 2 additional years.

5 (2) PETITIONS BASED ON DISPROPORTIONATE  
6 ECONOMIC HARDSHIP.—

7 (A) EXTENSION OF EXEMPTION.—A small  
8 refinery may at any time petition the President  
9 for an extension of the exemption under para-  
10 graph (1) for the reason of disproportionate  
11 economic hardship.

12 (B) EVALUATION OF PETITIONS.—In eval-  
13 uating a petition under subparagraph (A), the  
14 President, in consultation with the Adminis-  
15 trator, shall consider the findings of the study  
16 under paragraph (1)(B) and other economic  
17 factors.

18 (C) DEADLINE FOR ACTION ON PETI-  
19 TIONS.—The President shall act on any petition  
20 submitted by a small refinery for a hardship ex-  
21 emption not later than 90 days after the date  
22 of receipt of the petition.

23 (3) OPT-IN FOR SMALL REFINERIES.—A small  
24 refinery shall be subject to the requirements of sub-  
25 section (a) if the small refinery notifies the Presi-

1 dent that the small refinery waives the exemption  
2 under paragraph (1).

3 (h) PENALTIES AND ENFORCEMENT.—

4 (1) CIVIL PENALTIES.—

5 (A) IN GENERAL.—Any person that vio-  
6 lates a regulation promulgated under subsection  
7 (a), or that fails to furnish any information re-  
8 quired under such a regulation, shall be liable  
9 to the United States for a civil penalty of not  
10 more than the total of—

11 (i) \$25,000 for each day of the viola-  
12 tion; and

13 (ii) the amount of economic benefit or  
14 savings received by the person resulting  
15 from the violation, as determined by the  
16 President.

17 (B) COLLECTION.—Civil penalties under  
18 subparagraph (A) shall be assessed by, and col-  
19 lected in a civil action brought by, the Adminis-  
20 trator or such other officer of the United States  
21 as is designated by the President.

22 (2) INJUNCTIVE AUTHORITY.—

23 (A) IN GENERAL.—The district courts of  
24 the United States shall have jurisdiction to—

- 1 (i) restrain a violation of a regulation  
2 promulgated under subsection (a);  
3 (ii) award other appropriate relief;  
4 and  
5 (iii) compel the furnishing of informa-  
6 tion required under the regulation.

7 (B) ACTIONS.—An action to restrain such  
8 violations and compel such actions shall be  
9 brought by and in the name of the United  
10 States.

11 (C) SUBPOENAS.—In the action, a sub-  
12 poena for a witness who is required to attend  
13 a district court in any district may apply in any  
14 other district.

15 (i) VOLUNTARY LABELING PROGRAM.—

16 (1) IN GENERAL.—The President shall establish  
17 criteria for a system of voluntary labeling of renew-  
18 able fuels based on life cycle greenhouse gas emis-  
19 sions.

20 (2) CONSUMER EDUCATION.—The President  
21 shall ensure that the labeling system under this sub-  
22 section provides useful information to consumers  
23 making fuel purchases.

1           (3) FLEXIBILITY.—In carrying out this sub-  
2           section, the President may establish more than 1  
3           label, as appropriate.

4           (j) STUDY OF IMPACT OF CLEAN FUEL STAND-  
5           ARD.—

6           (1) IN GENERAL.—The Administrator shall  
7           enter into an arrangement with the National Acad-  
8           emy of Sciences under which the Academy shall con-  
9           duct a study to assess the impact of the require-  
10          ments described in subsection (a)(2) on each indus-  
11          try relating to the production of feed grains, live-  
12          stock, food, and energy.

13          (2) PARTICIPATION.—In conducting the study  
14          under paragraph (1), the National Academy of  
15          Sciences shall seek the participation, and consider  
16          the input, of—

17                (A) producers of feed grains;

18                (B) producers of livestock, poultry, and  
19                pork products;

20                (C) producers of food and food products;

21                (D) producers of energy;

22                (E) individuals and entities interested in  
23                issues relating to conservation, the environment,  
24                and nutrition; and

25                (F) users of renewable fuels.

1           (3) CONSIDERATIONS.—In conducting the  
2 study, the National Academy of Sciences shall con-  
3 sider—

4           (A) the likely impact on domestic animal  
5 agriculture feedstocks that, in any crop year,  
6 are significantly below current projections; and

7           (B) policy options to alleviate the impact  
8 on domestic animal agriculture feedstocks that  
9 are significantly below current projections.

10          (4) COMPONENTS.—The study shall include—

11           (A) a description of the conditions under  
12 which the requirements described in subsection  
13 (a)(2) should be suspended or reduced to pre-  
14 vent adverse impacts to domestic animal agri-  
15 culture feedstocks described in paragraph  
16 (3)(B); and

17           (B) recommendations for the means by  
18 which the Federal Government could prevent or  
19 minimize adverse economic hardships and im-  
20 pacts.

21          (5) DEADLINE FOR COMPLETION OF STUDY.—  
22 Not later than 270 days after the date of enactment  
23 of this Act, the Administrator shall submit to Con-  
24 gress a report that describes the results of the study.

25          (6) PERIODIC REVIEWS.—

1 (A) IN GENERAL.—To allow for the appro-  
2 priate adjustment of the requirements described  
3 in subsection (a)(2), the Administrator shall  
4 conduct periodic reviews of—

5 (i) existing technologies;

6 (ii) the feasibility of achieving compli-  
7 ance with the requirements; and

8 (iii) the impacts of the requirements  
9 described in subsection (a)(2) on each indi-  
10 vidual and entity described in paragraph  
11 (2).

12 (k) EFFECTIVE DATE.—Except as otherwise specifi-  
13 cally provided in this section, this section takes effect on  
14 the date on which the National Academies of Science com-  
15 pletes the study under subsection (j).

16 **SEC. 12012. PRODUCTION OF RENEWABLE FUEL USING RE-**  
17 **NEWABLE ENERGY.**

18 (a) DEFINITIONS.—In this section:

19 (1) FACILITY.—The term “facility” means a fa-  
20 cility used for the production of renewable fuel.

21 (2) RENEWABLE ENERGY.—

22 (A) IN GENERAL.—The term “renewable  
23 energy” has the meaning given the term in sec-  
24 tion 203(b) of the Energy Policy Act of 2005  
25 (42 U.S.C. 15852(b)).



1 (B) INCLUSION.—The term “renewable en-  
2 ergy” includes biogas produced through the  
3 conversion of organic matter from renewable  
4 biomass.

5 (b) ADDITIONAL CREDIT.—

6 (1) IN GENERAL.—The President shall provide  
7 a credit under the program established under section  
8 111(d) to the owner of a facility that uses renewable  
9 energy to displace more than 90 percent of the fossil  
10 fuel normally used in the production of renewable  
11 fuel.

12 (2) CREDIT AMOUNT.—The President may pro-  
13 vide the credit in a quantity that is not more than  
14 the equivalent of 1.5 gallons of renewable fuel for  
15 each gallon of renewable fuel produced in a facility  
16 described in paragraph (1).

17 **SEC. 12013. SENSE OF CONGRESS RELATING TO THE USE**  
18 **OF RENEWABLE RESOURCES TO GENERATE**  
19 **ENERGY.**

20 (a) FINDINGS.—Congress finds that—

21 (1) the United States has a quantity of renew-  
22 able energy resources that is sufficient to supply a  
23 significant portion of the energy needs of the United  
24 States;

1           (2) the agricultural, forestry, and working land  
2           of the United States can help ensure a sustainable  
3           domestic energy system;

4           (3) accelerated development and use of renew-  
5           able energy technologies provide numerous benefits  
6           to the United States, including improved national se-  
7           curity, improved balance of payments, healthier  
8           rural economies, improved environmental quality,  
9           and abundant, reliable, and affordable energy for all  
10          citizens of the United States;

11          (4) the production of transportation fuels from  
12          renewable energy would help the United States meet  
13          rapidly growing domestic and global energy de-  
14          mands, reduce the dependence of the United States  
15          on energy imported from volatile regions of the  
16          world that are politically unstable, stabilize the cost  
17          and availability of energy, and safeguard the econ-  
18          omy and security of the United States;

19          (5) increased energy production from domestic  
20          renewable resources would attract substantial new  
21          investments in energy infrastructure, create eco-  
22          nomic growth, develop new jobs for the citizens of  
23          the United States, and increase the income for farm,  
24          ranch, and forestry jobs in the rural regions of the  
25          United States;

1           (6) increased use of renewable energy is prac-  
2           tical and can be cost effective with the implementa-  
3           tion of supportive policies and proper incentives to  
4           stimulate markets and infrastructure; and

5           (7) public policies aimed at enhancing renew-  
6           able energy production and accelerating techno-  
7           logical improvements will further reduce energy costs  
8           over time and increase market demand.

9           (b) SENSE OF CONGRESS.—It is the sense of Con-  
10          gress that it is the goal of the United States that, not  
11          later than January 1, 2025, the agricultural, forestry, and  
12          working land of the United States should—

13           (1) provide from renewable resources not less  
14           than 25 percent of the total energy consumed in the  
15           United States; and

16           (2) continue to produce safe, abundant, and af-  
17           fordable food, feed, and fiber.

18           **Subtitle B—Renewable Fuels**  
19           **Infrastructure**

20          **SEC. 12021. INFRASTRUCTURE PILOT PROGRAM FOR RE-**  
21           **NEWABLE FUELS.**

22           (a) IN GENERAL.—The Administrator, in consulta-  
23          tion with the Secretary of Transportation and the Sec-  
24          retary, shall establish a competitive grant pilot program  
25          (referred to in this section as the “pilot program”), to be

1 administered through the Vehicle Technology Deployment  
2 Program of the Department of Energy, to provide not  
3 more than 10 geographically-dispersed project grants to  
4 State governments, Indian tribal governments, local gov-  
5 ernments, metropolitan transportation authorities, or  
6 partnerships of those entities to carry out 1 or more  
7 projects for the purposes described in subsection (b).

8 (b) GRANT PURPOSES.—A grant under this section  
9 shall be used for the establishment of refueling infrastruc-  
10 ture corridors, as designated by the Administrator, for  
11 gasoline blends that contain not less than 11 percent, and  
12 not more than 85 percent, renewable fuel or diesel fuel  
13 that contains at least 10 percent renewable fuel, includ-  
14 ing—

15 (1) installation of infrastructure and equipment  
16 necessary to ensure adequate distribution of renew-  
17 able fuels within the corridor;

18 (2) installation of infrastructure and equipment  
19 necessary to directly support vehicles powered by re-  
20 newable fuels; and

21 (3) operation and maintenance of infrastructure  
22 and equipment installed as part of a project funded  
23 by the grant.

24 (c) APPLICATIONS.—

25 (1) REQUIREMENTS.—

1 (A) IN GENERAL.—Subject to subpara-  
2 graph (B), not later than 90 days after the date  
3 of enactment of this Act, the Administrator  
4 shall issue requirements for use in applying for  
5 grants under the pilot program.

6 (B) MINIMUM REQUIREMENTS.—At a min-  
7 imum, the Administrator shall require that an  
8 application for a grant under this section—

9 (i) be submitted by—

10 (I) the head of a State, tribal, or  
11 local government or a metropolitan  
12 transportation authority, or any com-  
13 bination of those entities; and

14 (II) a registered participant in  
15 the Vehicle Technology Deployment  
16 Program of the Department of En-  
17 ergy; and

18 (ii) include—

19 (I) a description of the project  
20 proposed in the application, including  
21 the ways in which the project meets  
22 the requirements of this section;

23 (II) an estimate of the degree of  
24 use of the project, including the esti-  
25 mated size of fleet of vehicles operated

1 with renewable fuel available within  
2 the geographic region of the corridor,  
3 measured as a total quantity and a  
4 percentage;

5 (III) an estimate of the potential  
6 petroleum displaced as a result of the  
7 project (measured as a total quantity  
8 and a percentage), and a plan to col-  
9 lect and disseminate petroleum dis-  
10 placement and other relevant data re-  
11 lating to the project to be funded  
12 under the grant, over the expected life  
13 of the project;

14 (IV) a description of the means  
15 by which the project will be sustain-  
16 able without Federal assistance after  
17 the completion of the term of the  
18 grant;

19 (V) a complete description of the  
20 costs of the project, including acquisi-  
21 tion, construction, operation, and  
22 maintenance costs over the expected  
23 life of the project; and

24 (VI) a description of which costs  
25 of the project will be supported by

1 Federal assistance under this sub-  
2 section.

3 (2) PARTNERS.—An applicant under paragraph  
4 (1) may carry out a project under the pilot program  
5 in partnership with public and private entities.

6 (d) SELECTION CRITERIA.—In evaluating applica-  
7 tions under the pilot program, the Administrator shall—

8 (1) consider the experience of each applicant  
9 with previous, similar projects; and

10 (2) give priority consideration to applications  
11 that—

12 (A) are most likely to maximize displace-  
13 ment of petroleum consumption, measured as a  
14 total quantity and a percentage;

15 (B) are best able to incorporate existing  
16 infrastructure while maximizing, to the extent  
17 practicable, the use of advanced biofuels;

18 (C) demonstrate the greatest commitment  
19 on the part of the applicant to ensure funding  
20 for the proposed project and the greatest likeli-  
21 hood that the project will be maintained or ex-  
22 panded after Federal assistance under this sub-  
23 section is completed;

24 (D) represent a partnership of public and  
25 private entities; and

1 (E) exceed the minimum requirements of  
2 subsection (c)(1)(B).

3 (e) PILOT PROJECT REQUIREMENTS.—

4 (1) MAXIMUM AMOUNT.—The Administrator  
5 shall provide not more than \$20,000,000 in Federal  
6 assistance under the pilot program to any applicant.

7 (2) COST SHARING.—The non-Federal share of  
8 the cost of any activity relating to renewable fuel in-  
9 frastructure development carried out using funds  
10 from a grant under this section shall be not less  
11 than 20 percent.

12 (3) MAXIMUM PERIOD OF GRANTS.—The Ad-  
13 ministrator shall not provide funds to any applicant  
14 under the pilot program for more than 2 years.

15 (4) DEPLOYMENT AND DISTRIBUTION.—The  
16 Administrator shall seek, to the maximum extent  
17 practicable, to ensure a broad geographic distribu-  
18 tion of project sites funded by grants under this sec-  
19 tion.

20 (5) TRANSFER OF INFORMATION AND KNOWL-  
21 EDGE.—The Administrator shall establish mecha-  
22 nisms to ensure that the information and knowledge  
23 gained by participants in the pilot program are  
24 transferred among the pilot program participants



1 and to other interested parties, including other ap-  
2 plicants that submitted applications.

3 (f) SCHEDULE.—

4 (1) INITIAL GRANTS.—

5 (A) IN GENERAL.—Not later than 90 days  
6 after the date of enactment of this Act, the Ad-  
7 ministrator shall publish in the Federal Reg-  
8 ister, Commerce Business Daily, and such other  
9 publications as the Administrator considers to  
10 be appropriate, a notice and request for applica-  
11 tions to carry out projects under the pilot pro-  
12 gram.

13 (B) DEADLINE.—An application described  
14 in subparagraph (A) shall be submitted to the  
15 Administrator by not later than 180 days after  
16 the date of publication of the notice under that  
17 subparagraph.

18 (C) INITIAL SELECTION.—Not later than  
19 90 days after the date by which applications for  
20 grants are due under subparagraph (B), the  
21 Administrator shall select by competitive, peer-  
22 reviewed proposal up to 5 applications for  
23 projects to be awarded a grant under the pilot  
24 program.

25 (2) ADDITIONAL GRANTS.—

1 (A) IN GENERAL.—Not later than 2 years  
2 after the date of enactment of this Act, the Ad-  
3 ministrator shall publish in the Federal Reg-  
4 ister, Commerce Business Daily, and such other  
5 publications as the Administrator considers to  
6 be appropriate, a notice and request for addi-  
7 tional applications to carry out projects under  
8 the pilot program that incorporate the informa-  
9 tion and knowledge obtained through the imple-  
10 mentation of the first round of projects author-  
11 ized under the pilot program.

12 (B) DEADLINE.—An application described  
13 in subparagraph (A) shall be submitted to the  
14 Administrator by not later than 180 days after  
15 the date of publication of the notice under that  
16 subparagraph.

17 (C) INITIAL SELECTION.—Not later than  
18 90 days after the date by which applications for  
19 grants are due under subparagraph (B), the  
20 Administrator shall select by competitive, peer-  
21 reviewed proposal such additional applications  
22 for projects to be awarded a grant under the  
23 pilot program as the Administrator determines  
24 to be appropriate.

25 (g) REPORTS TO CONGRESS.—

1           (1) INITIAL REPORT.—Not later than 60 days  
2           after the date on which grants are awarded under  
3           this section, the Administrator shall submit to Con-  
4           gress a report containing—

5                   (A) an identification of the grant recipients  
6                   and a description of the projects to be funded  
7                   under the pilot program;

8                   (B) an identification of other applicants  
9                   that submitted applications for the pilot pro-  
10                  gram but to which funding was not provided;  
11                  and

12                  (C) a description of the mechanisms used  
13                  by the Administrator to ensure that the infor-  
14                  mation and knowledge gained by participants in  
15                  the pilot program are transferred among the  
16                  pilot program participants and to other inter-  
17                  ested parties, including other applicants that  
18                  submitted applications.

19           (2) EVALUATION.—Not later than 2 years after  
20           the date of enactment of this Act, and annually  
21           thereafter until the termination of the pilot program,  
22           the Administrator shall submit to Congress a report  
23           containing an evaluation of the effectiveness of the  
24           pilot program, including an assessment of the petro-  
25           leum displacement and benefits to the environment

1 derived from the projects included in the pilot pro-  
2 gram.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section \$200,000,000, to remain available until expended.

**7 SEC. 12022. BIOENERGY RESEARCH AND DEVELOPMENT.**

Section 931(c) of the Energy Policy Act of 2005 (42 U.S.C. 16231(c)) is amended—

(1) in paragraph (2), by striking  
“\$251,000,000” and inserting “\$377,000,000”; and  
(2) in paragraph (3), by striking  
“\$274,000,000” and inserting “\$398,000,000”.

14 SEC. 12023. BIORESEARCH CENTERS FOR SYSTEMS BIOL-  
15 OGY PROGRAM.

Section 977(a)(1) of the Energy Policy Act of 2005 (42 U.S.C. 16317(a)(1)) is amended by inserting before the period at the end the following: “, including the establishment of at least 11 bioresearch centers of varying sizes, as appropriate, that focus on biofuels, of which at least 2 centers shall be located in each of the 4 Petroleum Administration for Defense Districts with no subdistricts and 1 center shall be located in each of the subdistricts of the Petroleum Administration for Defense District with subdistricts”.

1   **SEC. 12024. LOAN GUARANTEES FOR RENEWABLE FUEL FA-**  
2                   **CILITIES.**

3           (a) IN GENERAL.—Section 1703 of the Energy Policy  
4 Act of 2005 (42 U.S.C. 16513) is amended by adding at  
5 the end the following:

6           “(f) RENEWABLE FUEL FACILITIES.—

7                   “(1) IN GENERAL.—The Secretary may make  
8 guarantees under this title for projects that produce  
9 advanced biofuel (as defined in section 12002 of the  
10 Biofuels for Energy Security and Transportation  
11 Act of 2007).

12                   “(2) REQUIREMENTS.—A project under this  
13 subsection shall employ new or significantly im-  
14 proved technologies for the production of renewable  
15 fuels as compared to commercial technologies in  
16 service in the United States at the time that the  
17 guarantee is issued.

18                   “(3) ISSUANCE OF FIRST LOAN GUARANTEES.—  
19 The requirement of section 20320(b) of division B  
20 of the Continuing Appropriations Resolution, 2007  
21 (Public Law 109–289, Public Law 110–5), relating  
22 to the issuance of final regulations, shall not apply  
23 to the first 6 guarantees issued under this sub-  
24 section.

25                   “(4) PROJECT DESIGN.—A project for which a  
26 guarantee is made under this subsection shall have

1 a project design that has been validated through the  
2 operation of a continuous process pilot facility with  
3 an annual output of at least 50,000 gallons of eth-  
4 anol or the energy equivalent volume of other ad-  
5 vanced biofuels.

6 “(5) MAXIMUM GUARANTEED PRINCIPAL.—The  
7 total principal amount of a loan guaranteed under  
8 this subsection may not exceed \$250,000,000 for a  
9 single facility.

10 “(6) AMOUNT OF GUARANTEE.—The Secretary  
11 shall guarantee 100 percent of the principal and in-  
12 terest due on 1 or more loans made for a facility  
13 that is the subject of the guarantee under paragraph  
14 (3).

15 “(7) DEADLINE.—The Secretary shall approve  
16 or disapprove an application for a guarantee under  
17 this subsection not later than 90 days after the date  
18 of receipt of the application.

19 “(8) REPORT.—Not later than 30 days after  
20 approving or disapproving an application under  
21 paragraph (7), the Secretary shall submit to Con-  
22 gress a report on the approval or disapproval (in-  
23 cluding the reasons for the action).”.

24 (b) IMPROVEMENTS TO UNDERLYING LOAN GUAR-  
25 ANTEE AUTHORITY.—

1           (1) DEFINITION OF COMMERCIAL TECH-  
2           NOLOGY.—Section 1701(1) of the Energy Policy Act  
3           of 2005 (42 U.S.C. 16511(1)) is amended by strik-  
4           ing subparagraph (B) and inserting the following:

5                   “(B) EXCLUSION.—The term ‘commercial  
6           technology’ does not include a technology if the  
7           sole use of the technology is in connection  
8           with—

9                           “(i) a demonstration plant; or

10                           “(ii) a project for which the Secretary  
11                   approved a loan guarantee.”.

12           (2) SPECIFIC APPROPRIATION OR CONTRIBU-  
13           TION.—Section 1702 of the Energy Policy Act of  
14           2005 (42 U.S.C. 16512) is amended by striking sub-  
15           section (b) and inserting the following:

16           “(b) SPECIFIC APPROPRIATION OR CONTRIBU-  
17           TION.—

18                   “(1) IN GENERAL.—No guarantee shall be  
19           made unless—

20                           “(A) an appropriation for the cost has  
21           been made; or

22                           “(B) the Secretary has received from the  
23           borrower a payment in full for the cost of the  
24           obligation and deposited the payment into the  
25           Treasury.

1           “(2) LIMITATION.—The source of payments re-  
2           ceived from a borrower under paragraph (1)(B) shall  
3           not be a loan or other debt obligation that is made  
4           or guaranteed by the Federal Government.

5           “(3) RELATION TO OTHER LAWS.—Section  
6           504(b) of the Federal Credit Reform Act of 1990 (2  
7           U.S.C. 661c(b)) shall not apply to a loan or loan  
8           guarantee made in accordance with paragraph  
9           (1)(B).”.

10           (3) AMOUNT.—Section 1702 of the Energy Pol-  
11           icy Act of 2005 (42 U.S.C. 16512) is amended by  
12           striking subsection (c) and inserting the following:

13           “(c) AMOUNT.—

14           “(1) IN GENERAL.—Subject to paragraph (2),  
15           the Secretary shall guarantee up to 100 percent of  
16           the principal and interest due on 1 or more loans for  
17           a facility that are the subject of the guarantee.

18           “(2) LIMITATION.—The total amount of loans  
19           guaranteed for a facility by the Secretary shall not  
20           exceed 80 percent of the total cost of the facility, as  
21           estimated at the time at which the guarantee is  
22           issued.”.

23           (4) SUBROGATION.—Section 1702(g)(2) of the  
24           Energy Policy Act of 2005 (42 U.S.C. 16512(g)(2))  
25           is amended—



1 (A) by striking subparagraph (B); and  
2 (B) by redesignating subparagraph (C) as  
3 subparagraph (B).

4 (5) FEES.—Section 1702(h) of the Energy Pol-  
5 icy Act of 2005 (42 U.S.C. 16512(h)) is amended by  
6 striking paragraph (2) and inserting the following:

7 “(2) AVAILABILITY.—Fees collected under this  
8 subsection shall—

9 “(A) be deposited by the Secretary into a  
10 special fund in the Treasury to be known as the  
11 ‘Incentives For Innovative Technologies Fund’;  
12 and

13 “(B) remain available to the Secretary for  
14 expenditure, without further appropriation or  
15 fiscal year limitation, for administrative ex-  
16 penses incurred in carrying out this title.”.

17 **SEC. 12025. GRANTS FOR RENEWABLE FUEL PRODUCTION**  
18 **RESEARCH AND DEVELOPMENT IN CERTAIN**  
19 **STATES.**

20 (a) IN GENERAL.—The Administrator shall provide  
21 grants to eligible entities to conduct research into, and de-  
22 velop and implement, renewable fuel production tech-  
23 nologies in States with low rates of ethanol production,  
24 including low rates of production of cellulosic biomass eth-  
25 anol, as determined by the Administrator.

1 (b) ELIGIBILITY.—To be eligible to receive a grant  
2 under the section, an entity shall—

3 (1)(A) be an institution of higher education (as  
4 defined in section 2 of the Energy Policy Act of  
5 2005 (42 U.S.C. 15801)) located in a State de-  
6 scribed in subsection (a);

7 (B) be an institution—

8 (i) referred to in section 532 of the Equity  
9 in Educational Land-Grant Status Act of 1994  
10 (Public Law 103–382; 7 U.S.C. 301 note);

11 (ii) that is eligible for a grant under the  
12 Tribally Controlled College or University Assist-  
13 ance Act of 1978 (25 U.S.C. 1801 et seq.), in-  
14 cluding Diné College; or

15 (iii) that is eligible for a grant under the  
16 Navajo Community College Act (25 U.S.C.  
17 640a et seq.); or

18 (C) be a consortium of such institutions of  
19 higher education, industry, State agencies, Indian  
20 tribal agencies, or local government agencies located  
21 in the State; and

22 (2) have proven experience and capabilities with  
23 relevant technologies.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
2 authorized to be appropriated to carry out this section  
3 \$25,000,000 for each of fiscal years 2008 through 2010.

4 **SEC. 12026. GRANTS FOR INFRASTRUCTURE FOR TRANS-**  
5 **PORTATION OF BIOMASS TO LOCAL BIO-**  
6 **REFINERIES.**

7 (a) IN GENERAL.—The Administrator shall conduct  
8 a program under which the Administrator shall provide  
9 grants to Indian tribal and local governments and other  
10 eligible entities (as determined by the Administrator) (re-  
11 ferred to in this section as “eligible entities”) to promote  
12 the development of infrastructure to support the separa-  
13 tion, production, processing, and transportation of bio-  
14 mass to local biorefineries, including by portable proc-  
15 essing equipment.

16 (b) PHASES.—The Administrator shall conduct the  
17 program in the following phases:

18 (1) DEVELOPMENT.—In the first phase of the  
19 program, the Administrator shall make grants to eli-  
20 gible entities to assist the eligible entities in the de-  
21 velopment of local projects to promote the develop-  
22 ment of infrastructure to support the separation,  
23 production, processing, and transportation of bio-  
24 mass to local biorefineries, including by portable  
25 processing equipment.

1           (2) IMPLEMENTATION.—In the second phase of  
2           the program, the Administrator shall make competi-  
3           tive grants to eligible entities to implement projects  
4           developed under paragraph (1).

5           (c) AUTHORIZATION OF APPROPRIATIONS.—There  
6           are authorized to be appropriated such sums as are nec-  
7           essary to carry out this section.

8   **SEC. 12027. BIOREFINERY INFORMATION CENTER.**

9           (a) IN GENERAL.—The Administrator, in cooperation  
10          with the Secretary of Agriculture, shall establish a bio-  
11          refinery information center to make available to interested  
12          parties information on—

- 13               (1) renewable fuel resources, including informa-  
14               tion on programs and incentives for renewable fuels;  
15               (2) renewable fuel producers;  
16               (3) renewable fuel users; and  
17               (4) potential renewable fuel users.

18          (b) ADMINISTRATION.—In administering the bio-  
19          refinery information center, the Administrator shall—

- 20               (1) continually update information provided by  
21               the center;  
22               (2) make information available to interested  
23               parties on the process for establishing a biorefinery;  
24               and

1           (3) make information and assistance provided  
2           by the center available through a toll-free telephone  
3           number and website.

4           (c) AUTHORIZATION OF APPROPRIATIONS.—There  
5           are authorized to be appropriated such sums as are nec-  
6           essary to carry out this section.

7   **SEC. 12028. ALTERNATIVE FUEL DATABASE AND MATE-**  
8           **RIALS.**

9           The Administrator and the Director of the National  
10          Institute of Standards and Technology shall jointly estab-  
11          lish and make available to the public—

12                (1) a database that describes the physical prop-  
13                erties of different types of alternative fuel; and

14                (2) standard reference materials for different  
15                types of alternative fuel.

16   **SEC. 12029. FUEL TANK CAP LABELING REQUIREMENT.**

17          Section 406(a) of the Energy Policy Act of 1992 (42  
18          U.S.C. 13232(a)) is amended—

19                (1) by striking “The Federal Trade Commis-  
20                sion” and inserting the following:

21                   “(1) IN GENERAL.—The Federal Trade Com-  
22                   mission”; and

23                (2) by adding at the end the following:

24                   “(2) FUEL TANK CAP LABELING REQUIRE-  
25                   MENT.—Beginning with model year 2010, the fuel

1 tank cap of each alternative fueled vehicle manufac-  
2 tured for sale in the United States shall be clearly  
3 labeled to inform consumers that such vehicle can  
4 operate on alternative fuel.”.

5 **SEC. 12030. BIODIESEL.**

6 (a) IN GENERAL.—Not later than 180 days after the  
7 date of enactment of this Act, the Administrator shall sub-  
8 mit to Congress a report on any research and development  
9 challenges inherent in increasing to 5 percent the propor-  
10 tion of diesel fuel sold in the United States that is bio-  
11 diesel (as defined in section 757 of the Energy Policy Act  
12 of 2005 (42 U.S.C. 16105)).

13 (b) REGULATIONS.—The President shall promulgate  
14 regulations providing for the uniform labeling of biodiesel  
15 blends that are certified to meet applicable standards pub-  
16 lished by the American Society for Testing and Materials.

17 (c) NATIONAL BIODIESEL FUEL QUALITY STAND-  
18 ARD.—

19 (1) QUALITY REGULATIONS.—Not later than  
20 180 days after the date of enactment of this Act, the  
21 President shall promulgate regulations to ensure  
22 that each diesel-equivalent fuel derived from renew-  
23 able biomass and introduced into interstate com-  
24 merce is tested and certified to comply with applica-

1       ble standards of the American Society for Testing  
2       and Materials.

3           (2) ENFORCEMENT.—The President shall en-  
4       sure that all biodiesel entering interstate commerce  
5       meets the requirements of paragraph (1).

6           (3) FUNDING.—There are authorized to be ap-  
7       propriated to the President to carry out this section:

8                   (A) \$3,000,000 for fiscal year 2008.

9                   (B) \$3,000,000 for fiscal year 2009.

10                  (C) \$3,000,000 for fiscal year 2010.

11 **SEC. 12031. TRANSITIONAL ASSISTANCE FOR FARMERS**  
12 **WHO PLANT DEDICATED ENERGY CROPS FOR**  
13 **A LOCAL CELLULOSIC REFINERY.**

14       (a) DEFINITIONS.—In this section:

15           (1) CELLULOSIC CROP.—The term “cellulosic  
16       crop” means a tree or grass that is grown specifi-  
17       cally—

18                   (A) to provide raw materials (including  
19       feedstocks) for conversion to liquid transpor-  
20       tation fuels or chemicals through biochemical or  
21       thermochemical processes; or

22                   (B) for energy generation through combus-  
23       tion, pyrolysis, or cofiring.

1           (2) CELLULOSIC REFINER.—The term “cel-  
2           lulosic refiner” means the owner or operator of a  
3           cellulosic refinery.

4           (3) CELLULOSIC REFINERY.—The term “cel-  
5           lulosic refinery” means a refinery that processes a  
6           cellulosic crop.

7           (4) QUALIFIED CELLULOSIC CROP.—The term  
8           “qualified cellulosic crop” means, with respect to an  
9           agricultural producer, a cellulosic crop that is—

10                   (A) the subject of a contract or memo-  
11                   randum of understanding between the producer  
12                   and a cellulosic refiner, under which the pro-  
13                   ducer is obligated to sell the crop to the cel-  
14                   lulosic refiner by a certain date; and

15                   (B) produced not more than 70 miles from  
16                   a cellulosic refinery owned or operated by the  
17                   cellulosic refiner.

18           (5) SECRETARY.—The term “Secretary” means  
19           the Secretary of Agriculture.

20           (b) TRANSITIONAL ASSISTANCE PAYMENTS.—The  
21           Secretary shall make transitional assistance payments to  
22           an agricultural producer during the first year in which the  
23           producer devotes land to the production of a qualified cel-  
24           lulosic crop.

25           (c) AMOUNT OF PAYMENT.—



1           (1) DETERMINED BY FORMULA.—Subject to  
2       paragraph (2), the Secretary shall devise a formula  
3       to be used to calculate the amount of a payment to  
4       be made to an agricultural producer under this sec-  
5       tion, based on the opportunity cost (as determined  
6       in accordance with such standard as the Secretary  
7       may establish, taking into consideration land rental  
8       rates and other applicable costs) incurred by the  
9       producer during the first year in which the producer  
10      devotes land to the production of the qualified cel-  
11      lulosic crop.

12          (2) LIMITATION.—The total of the amount paid  
13      to a producer under this section shall not exceed an  
14      amount equal to 25 percent of the amounts made  
15      available under subsection (e) for the applicable fis-  
16      cal year.

17          (d) REGULATIONS.—The Secretary shall promulgate  
18      such regulations as the Secretary determines to be nec-  
19      essary to carry out this section.

20          (e) AUTHORIZATION OF APPROPRIATIONS.—There is  
21      authorized to be appropriated to carry out this section  
22      \$4,088,000 for each of fiscal years 2008 through 2012,  
23      to remain available until expended.

1   **SEC. 12032. RESEARCH AND DEVELOPMENT IN SUPPORT OF**  
2                   **LOW-CARBON FUELS.**

3           (a) **DECLARATION OF POLICY.**—Congress declares  
4 that, in order to achieve maximum reductions in green-  
5 house gas emissions, enhance national security, and en-  
6 sure the protection of wildlife habitat, biodiversity, water  
7 quality, air quality, and rural and regional economies  
8 throughout the lifecycle of each low-carbon fuel, it is nec-  
9 essary and desirable to undertake a combination of basic  
10 and applied research, as well as technology development  
11 and demonstration, involving the colleges and universities  
12 of the United States, in partnership with the Federal Gov-  
13 ernment, State governments, and the private sector.

14          (b) **PURPOSE.**—The purpose of this section is to pro-  
15 vide for research support to facilitate the development of  
16 sustainable markets and technologies to produce and use  
17 woody biomass and other low-carbon fuels for the produc-  
18 tion of thermal and electric energy, biofuels, and bioprod-  
19 ucts.

20          (c) **DEFINITION OF FUEL EMISSION BASELINE.**—In  
21 this section, the term “fuel emission baseline” means the  
22 average lifecycle greenhouse gas emissions per unit of en-  
23 ergy of the fossil fuel component of conventional transpor-  
24 tation fuels in commerce in the United States in calendar  
25 year 2008, as determined by the President.

1 (d) GRANT PROGRAM.—The President shall establish  
2 a program to provide to eligible entities (as identified by  
3 the President) grants for use in—

4 (1) providing financial support for not more  
5 than 4 nor less than 6 demonstration facilities  
6 that—

7 (A) use woody biomass to deploy advanced  
8 technologies for production of thermal and elec-  
9 tric energy, biofuels, and bioproducts; and

10 (B) are targeted at regional feedstocks and  
11 markets;

12 (2) conducting targeted research for the devel-  
13 opment of cellulosic ethanol and other liquid fuels  
14 from woody or other biomass that may be used in  
15 transportation or stationary applications, such as in-  
16 dustrial processes or industrial, commercial, and res-  
17 idential heating;

18 (3) conducting research into the best scientif-  
19 ically-based and periodically-updated methods of as-  
20 sessing and certifying the impacts of each low-car-  
21 bon fuel with respect to—

22 (A) the reduction in lifecycle greenhouse  
23 gas emissions of each fuel as compared to—

24 (i) the fuel emission baseline; and

1 (ii) the greenhouse gas emissions of  
2 other sectors, such as the agricultural, in-  
3 dustrial, and manufacturing sectors;

4 (B) the contribution of the fuel toward en-  
5 hancing the energy security of the United  
6 States by displacing imported petroleum and  
7 petroleum products;

8 (C) any impacts of the fuel on wildlife  
9 habitat, biodiversity, water quality, and air  
10 quality; and

11 (D) any effect of the fuel with respect to  
12 rural and regional economies;

13 (4) conducting research to determine to what  
14 extent the use of low-carbon fuels in the transpor-  
15 tation sector would impact greenhouse gas emissions  
16 in other sectors, such as the agricultural, industrial,  
17 and manufacturing sectors;

18 (5) conducting research for the development of  
19 the supply infrastructure that may provide renew-  
20 able biomass feedstocks in a consistent, predictable,  
21 and environmentally-sustainable manner;

22 (6) conducting research for the development of  
23 supply infrastructure that may provide renewable  
24 low-carbon fuels in a consistent, predictable, and en-  
25 vironmentally-sustainable manner; and

1           (7) conducting policy research on the global  
2           movement of low-carbon fuels in a consistent, pre-  
3           dictable, and environmentally-sustainable manner.

4           (e) AUTHORIZATION OF APPROPRIATIONS.—Of the  
5           funding authorized under section 12022, there are author-  
6           ized to be appropriated to carry out this section—

7           (1) \$45,000,000 for fiscal year 2009;

8           (2) \$50,000,000 for fiscal year 2010;

9           (3) \$55,000,000 for fiscal year 2011;

10          (4) \$60,000,000 for fiscal year 2012; and

11          (5) \$65,000,000 for fiscal year 2013.

## 12                                   **Subtitle C—Studies**

### 13   **SEC. 12041. STUDY OF ADVANCED BIOFUELS TECH-** 14                                   **NOLOGIES.**

15          (a) IN GENERAL.—Not later than October 1, 2012,  
16          the Administrator shall offer to enter into a contract with  
17          the National Academy of Sciences under which the Acad-  
18          emy shall conduct a study of technologies relating to the  
19          production, transportation, and distribution of advanced  
20          biofuels.

21          (b) SCOPE.—In conducting the study, the Academy  
22          shall—

23                (1) include an assessment of the maturity of  
24                advanced biofuels technologies;

1           (2) consider whether the rate of development of  
2           those technologies will be sufficient to meet the ad-  
3           vanced biofuel standards required under section  
4           12011;

5           (3) consider the effectiveness of the research  
6           and development programs and activities of the De-  
7           partment of Energy relating to advanced biofuel  
8           technologies; and

9           (4) make policy recommendations to accelerate  
10          the development of those technologies to commercial  
11          viability, as appropriate.

12          (c) REPORT.—Not later than November 30, 2014,  
13          the Administrator shall submit to the Committee on En-  
14          ergy and Natural Resources of the Senate and the Com-  
15          mittee on Energy and Commerce of the House of Rep-  
16          resentatives a report describing the results of the study  
17          conducted under this section.

18   **SEC. 12042. STUDY OF INCREASED CONSUMPTION OF ETH-**  
19                   **ANOL-BLENDED GASOLINE WITH HIGHER**  
20                   **LEVELS OF ETHANOL.**

21          (a) IN GENERAL.—The Administrator, in cooperation  
22          with the Secretary, the Secretary of Agriculture, and the  
23          Secretary of Transportation, and after providing notice  
24          and an opportunity for public comment, shall conduct a  
25          study of the feasibility of increasing consumption in the

1 United States of ethanol-blended gasoline with levels of  
2 ethanol that are not less than 10 percent and not more  
3 than 40 percent.

4 (b) STUDY.—The study under subsection (a) shall in-  
5 clude—

6 (1) a review of production and infrastructure  
7 constraints on increasing consumption of ethanol;

8 (2) an evaluation of the economic, market, and  
9 energy-related impacts of State and regional dif-  
10 ferences in ethanol blends;

11 (3) an evaluation of the economic, market, and  
12 energy-related impacts on gasoline retailers and con-  
13 sumers of separate and distinctly labeled fuel stor-  
14 age facilities and dispensers;

15 (4) an evaluation of the environmental impacts  
16 of mid-level ethanol blends on evaporative and ex-  
17 haust emissions from on-road, off-road, and marine  
18 engines, recreational boats, vehicles, and equipment;

19 (5) an evaluation of the impacts of mid-level  
20 ethanol blends on the operation, durability, and per-  
21 formance of on-road, off-road, and marine engines,  
22 recreational boats, vehicles, and equipment; and

23 (6) an evaluation of the safety impacts of mid-  
24 level ethanol blends on consumers that own and op-

1       erate off-road and marine engines, recreational  
2       boats, vehicles, or equipment.

3       (c) REPORT.—Not later than 1 year after the date  
4 of enactment of this Act, the Administrator shall submit  
5 to Congress a report describing the results of the study  
6 conducted under this section.

7 **SEC. 12043. PIPELINE FEASIBILITY STUDY.**

8       (a) IN GENERAL.—The Administrator, in coordina-  
9 tion with the Secretary of Agriculture and the Secretary  
10 of Transportation, shall conduct a study of the feasibility  
11 of the construction of dedicated ethanol pipelines.

12       (b) FACTORS.—In conducting the study, the Admin-  
13 istrator shall consider—

14           (1) the quantity of ethanol production that  
15 would make dedicated pipelines economically viable;

16           (2) existing or potential barriers to dedicated  
17 ethanol pipelines, including technical, siting, financ-  
18 ing, and regulatory barriers;

19           (3) market risk (including throughput risk) and  
20 means of mitigating the risk;

21           (4) regulatory, financing, and siting options  
22 that would mitigate risk in those areas and help en-  
23 sure the construction of 1 or more dedicated ethanol  
24 pipelines;



1           (5) financial incentives that may be necessary  
2       for the construction of dedicated ethanol pipelines,  
3       including the return on equity that sponsors of the  
4       initial dedicated ethanol pipelines will require to in-  
5       vest in the pipelines;

6           (6) technical factors that may compromise the  
7       safe transportation of ethanol in pipelines, identi-  
8       fying remedial and preventative measures to ensure  
9       pipeline integrity; and

10          (7) such other factors as the Administrator con-  
11       siders appropriate.

12       (c) REPORT.—Not later than 15 months after the  
13       date of enactment of this Act, the Administrator shall sub-  
14       mit to Congress a report describing the results of the  
15       study conducted under this section.

16       **SEC. 12044. STUDY OF OPTIMIZATION OF FLEXIBLE FUELED**  
17                               **VEHICLES TO USE E-85 FUEL.**

18       (a) IN GENERAL.—The Administrator shall conduct  
19       a study of methods of increasing the fuel efficiency of  
20       flexible fueled vehicles by optimizing flexible fueled vehi-  
21       cles to operate using E-85 fuel.

22       (b) REPORT.—Not later than 180 days after the date  
23       of enactment of this Act, the Administrator shall submit  
24       to the Committee on Energy and Natural Resources of  
25       the Senate and the Committee on Natural Resources of

1 the House of Representatives a report that describes the  
2 results of the study, including any recommendations of the  
3 Administrator.

4 **SEC. 12045. STUDY OF CREDITS FOR USE OF RENEWABLE**  
5 **ELECTRICITY IN ELECTRIC VEHICLES.**

6 (a) DEFINITION OF ELECTRIC VEHICLE.—In this  
7 section, the term “electric vehicle” means an electric  
8 motor vehicle (as defined in section 601 of the Energy Pol-  
9 icy Act of 1992 (42 U.S.C. 13271)) for which the re-  
10 chargeable storage battery—

11 (1) receives a charge directly from a source of  
12 electric current that is external to the vehicle; and

13 (2) provides a minimum of 80 percent of the  
14 motive power of the vehicle.

15 (b) STUDY.—The Administrator shall conduct a  
16 study on the feasibility of issuing credits under the pro-  
17 gram established under section 12011(d) to electric vehi-  
18 cles powered by electricity produced from renewable en-  
19 ergy sources.

20 (c) REPORT.—Not later than 18 months after the  
21 date of enactment of this Act, the Administrator shall sub-  
22 mit to the Committee on Energy and Natural Resources  
23 of the Senate and the Committee on Energy and Com-  
24 merce of the House of Representatives a report that de-

1 scribes the results of the study, including a description  
2 of—

3 (1) existing programs and studies on the use of  
4 renewable electricity as a means of powering electric  
5 vehicles; and

6 (2) alternatives for—

7 (A) designing a pilot program to determine  
8 the feasibility of using renewable electricity to  
9 power electric vehicles as an adjunct to a re-  
10 newable fuels mandate;

11 (B) allowing the use, under the pilot pro-  
12 gram designed under subparagraph (A), of elec-  
13 tricity generated from nuclear energy as an ad-  
14 ditional source of supply;

15 (C) identifying the source of electricity  
16 used to power electric vehicles; and

17 (D) equating specific quantities of elec-  
18 tricity to quantities of renewable fuel under sec-  
19 tion 12011(d).

20 **SEC. 12046. STUDY OF ENGINE DURABILITY ASSOCIATED**  
21 **WITH THE USE OF BIODIESEL.**

22 (a) IN GENERAL.—Not later than 30 days after the  
23 date of enactment of this Act, the Administrator shall ini-  
24 tiate a study on the effects of the use of biodiesel on en-  
25 gine durability.

1 (b) COMPONENTS.—The study under this section  
2 shall include—

3 (1) an assessment of whether the use of bio-  
4 diesel in conventional diesel engines lessens engine  
5 durability; and

6 (2) an assessment of the effects referred to in  
7 subsection (a) with respect to biodiesel blends at  
8 varying concentrations, including—

9 (A) B5;

10 (B) B10;

11 (C) B20; and

12 (D) B30.

13 **SEC. 12047. STUDY OF INCENTIVES FOR RENEWABLE**  
14 **FUELS.**

15 (a) STUDY.—The President shall conduct a study of  
16 the renewable fuels industry and markets in the United  
17 States, including—

18 (1) the costs to produce conventional and ad-  
19 vanced biofuels;

20 (2) the factors affecting the future market  
21 prices for those biofuels, including world oil prices;  
22 and

23 (3) the financial incentives necessary to en-  
24 hance, to the maximum extent practicable, the  
25 biofuels industry of the United States to reduce the

1 dependence of the United States on foreign oil dur-  
2 ing calendar years 2011 through 2030.

3 (b) GOALS.—The study shall include an analysis of  
4 the options for financial incentives and the advantage and  
5 disadvantages of each option.

6 (c) REPORT.—Not later than 1 year after the date  
7 of enactment of this Act, the President shall submit to  
8 Congress a report that describes the results of the study.

9 **SEC. 12048. STUDY OF STREAMLINED LIFECYCLE ANALYSIS**

10 **TOOLS FOR THE EVALUATION OF RENEW-**  
11 **ABLE CARBON CONTENT OF BIOFUELS.**

12 (a) IN GENERAL.—The Administrator, in consulta-  
13 tion with the Secretary of Agriculture and the Secretary,  
14 shall conduct a study of—

15 (1) published methods for evaluating the  
16 lifecycle fossil and renewable carbon content of fuels,  
17 including conventional and advanced biofuels; and

18 (2) methods for performing simplified, stream-  
19 lined lifecycle analyses of the fossil and renewable  
20 carbon content of biofuels.

21 (b) REPORT.—Not later than 1 year after the date  
22 of enactment of this Act, the Administrator shall submit  
23 to the Committee on Energy and Natural Resources of  
24 the Senate and the Committee on Energy and Commerce  
25 of the House of Representatives a report that describes

1 the results of the study under subsection (a), including  
2 recommendations for a method for performing a sim-  
3 plified, streamlined lifecycle analysis of the fossil and re-  
4 newable carbon content of biofuels that includes—

- 5 (1) carbon inputs to feedstock production; and
- 6 (2) carbon inputs to the biofuel production  
7 process, including the carbon associated with elec-  
8 trical and thermal energy inputs.

9 **SEC. 12049. STUDY OF EFFECTS OF ETHANOL-BLENDED**  
10 **GASOLINE ON OFF-ROAD VEHICLES.**

11 (a) STUDY.—

12 (1) IN GENERAL.—The Administrator, in con-  
13 sultation with the Secretary of Transportation and  
14 the Secretary, shall conduct a study to determine  
15 the effects of ethanol-blended gasoline on off-road  
16 vehicles and recreational boats.

17 (2) EVALUATION.—The study shall include an  
18 evaluation of the operational, safety, durability, and  
19 environmental impacts of ethanol-blended gasoline  
20 on off-road and marine engines, recreational boats,  
21 and related equipment.

22 (b) REPORT.—Not later than 1 year after the date  
23 of enactment of this Act, the Administrator shall submit  
24 to Congress a report describing the results of the study.

1 **SEC. 12050. STUDY OF OFFSHORE WIND RESOURCES.**

2 (a) DEFINITIONS.—In this section:

3 (1) ELIGIBLE INSTITUTION.—The term “eligi-  
4 ble institution” means a college or university that—

5 (A) as of the date of enactment of this  
6 Act, has an offshore wind power research pro-  
7 gram; and

8 (B) is located in a region of the United  
9 States that is in reasonable proximity to the  
10 eastern outer Continental Shelf, as determined  
11 by the Administrator.

12 (2) SECRETARY.—The term “Secretary” means  
13 the Secretary of the Interior, acting through the Di-  
14 rector of the Minerals Management Service.

15 (b) STUDY.—The Secretary, in cooperation with an  
16 eligible institution, as selected by the Secretary, shall con-  
17 duct a study to assess each offshore wind resource located  
18 in the region of the eastern outer Continental Shelf.

19 (c) REPORT.—Upon completion of the study under  
20 subsection (b), the Secretary shall submit to Congress a  
21 report that includes—

22 (1) a description of—

23 (A) the locations and total power genera-  
24 tion resources of the best offshore wind re-  
25 sources located in the region of the eastern

1 outer Continental Shelf, as determined by the  
2 Secretary;

3 (B) based on conflicting zones relating to  
4 any infrastructure that, as of the date of enact-  
5 ment of this Act, is located in close proximity  
6 to any offshore wind resource, the likely exclu-  
7 sion zones of each offshore wind resource de-  
8 scribed in subparagraph (A);

9 (C) the relationship of the temporal vari-  
10 ation of each offshore wind resource described  
11 in subparagraph (A) with—

12 (i) any other offshore wind resource;

13 and

14 (ii) with loads and corresponding sys-  
15 tem operator markets;

16 (D) the geological compatibility of each  
17 offshore wind resource described in subpara-  
18 graph (A) with any potential technology relat-  
19 ing to sea floor towers; and

20 (E) with respect to each area in which an  
21 offshore wind resource described in subpara-  
22 graph (A) is located, the relationship of the au-  
23 thority under any coastal management plan of  
24 the State in which the area is located with the  
25 Federal Government; and



1           (2) recommendations on the manner by which  
2           to handle offshore wind intermittence.

3           (d) INCORPORATION OF STUDY.—Effective beginning  
4           on the date on which the Secretary completes the study  
5           under subsection (b), the Secretary shall incorporate the  
6           findings included in the report under subsection (c) into  
7           the planning process documents for any wind energy lease  
8           sale—

9           (1) relating to any offshore wind resource lo-  
10          cated in any appropriate area of the outer Conti-  
11          nental Shelf, as determined by the Secretary; and

12          (2) that is completed on or after the date of en-  
13          actment of this Act.

14          (e) EFFECT.—Nothing in this section—

15          (1) delays any final regulation to be promul-  
16          gated by the Secretary of the Interior to carry out  
17          section 8(p) of the Outer Continental Shelf Lands  
18          Act (43 U.S.C. 1337(p)); or

19          (2) limits the authority of the Secretary to lease  
20          any offshore wind resource located in any appro-  
21          priate area of the outer Continental Shelf, as deter-  
22          mined by the Secretary.

23          (f) AUTHORIZATION OF APPROPRIATIONS.—There is  
24          authorized to be appropriated to carry out this section  
25          \$5,000,000, to remain available until expended.

1           **Subtitle D—Environmental**  
2                           **Safeguards**

3   **SEC. 12061. GRANTS FOR PRODUCTION OF ADVANCED**  
4                           **BIOFUELS.**

5           (a) IN GENERAL.—The Administrator shall establish  
6 a grant program to encourage the production of advanced  
7 biofuels.

8           (b) REQUIREMENTS AND PRIORITY.—In making  
9 grants under this section, the Administrator—

10                   (1) shall make awards to the proposals for ad-  
11 vanced biofuels with the greatest reduction in  
12 lifecycle greenhouse gas emissions compared to the  
13 comparable motor vehicle fuel lifecycle emissions  
14 during calendar year 2007; and

15                   (2) shall not make an award to a project that  
16 does not achieve at least a 50-percent reduction in  
17 such lifecycle greenhouse gas emissions.

18           (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
19 authorized to be appropriated to carry out this section  
20 \$500,000,000 for the period of fiscal years 2008 through  
21 2015.

22   **SEC. 12062. STUDIES OF EFFECTS OF RENEWABLE FUEL**  
23                           **USE.**

24           Section 211 of the Clean Air Act (42 U.S.C. 7545)  
25 is amended by adding at the end the following:

1       “(t) STUDIES OF EFFECTS OF RENEWABLE FUEL  
2   USE.—

3               “(1) IN GENERAL.—Not later than 1 year after  
4   the date of enactment of this subsection, the Admin-  
5   istrator shall offer to enter into appropriate arrange-  
6   ments with the National Academy of Sciences and  
7   any other independent research institute determined  
8   to be appropriate by the Administrator, in consulta-  
9   tion with appropriate Federal agencies, to conduct 2  
10   studies on the effects of increased domestic use of  
11   renewable fuels under the Biofuels for Energy Secu-  
12   rity and Transportation Act of 2007.

13              “(2) MATTERS TO BE STUDIED.—

14               “(A) IN GENERAL.—The studies under this  
15   subsection shall assess, quantify, and rec-  
16   ommend analytical methodologies in relation to  
17   environmental changes associated with the in-  
18   creased domestic use of renewable fuels under  
19   the Biofuels for Energy Security and Transpor-  
20   tation Act of 2007, including production, han-  
21   dling, transportation, and use of the fuels.

22               “(B) SPECIFIC MATTERS.—The studies  
23   shall include an assessment and quantification,  
24   to the maximum extent practicable, of signifi-  
25   cant changes—

1 “(i) in air and water quality and the  
2 quality of other natural resources;

3 “(ii) in land use patterns;

4 “(iii) in the rate of deforestation in  
5 the United States and globally;

6 “(iv) to greenhouse gas emissions;

7 “(v) to significant geographic areas  
8 and habitats with high biodiversity values  
9 (including species richness, the presence of  
10 species that are exclusively native to a  
11 place, or the presence of endangered spe-  
12 cies); or

13 “(vi) in the long-term capacity of the  
14 United States to produce biomass feed-  
15 stocks.

16 “(C) BASELINE COMPARISON.—In making  
17 an assessment or quantifying effects of in-  
18 creased use of renewable fuels, the studies shall  
19 use an appropriate baseline involving increased  
20 use of the conventional transportation fuels, if  
21 displacement by use of renewable fuels had not  
22 occurred.

23 “(3) REPORTS TO CONGRESS.—The Adminis-  
24 trator shall submit to Congress a report summa-  
25 rizing the assessments and findings of—

1 “(A) the first study, along with any rec-  
2 ommendations by the Administrator to mitigate  
3 adverse effects identified by the study, not later  
4 than 3 years after the date of enactment of this  
5 subsection; and

6 “(B) the second study, along with any rec-  
7 ommendations by the Administrator to mitigate  
8 adverse effects identified by the study, not later  
9 December 31, 2015.”.

10 **SEC. 12063. INTEGRATED CONSIDERATION OF WATER**  
11 **QUALITY IN DETERMINATIONS ON FUELS**  
12 **AND FUEL ADDITIVES.**

13 Section 211(c)(1) of the Clean Air Act (42 U.S.C.  
14 7545(c)(1)) is amended—

15 (1) by striking “nonroad vehicle (A) if in the  
16 judgment of the Administrator” and inserting  
17 “nonroad vehicle—

18 “(A) if, in the judgment of the Adminis-  
19 trator, any fuel or fuel additive or”;

20 (2) in subparagraph (A), by striking “air pollu-  
21 tion which” and inserting “air pollution or water  
22 pollution (including any degradation in the quality of  
23 groundwater) that”; and

24 (3) by striking “, or (B) if” and inserting the  
25 following: “; or

1 “(B) if”.

2 **SEC. 12064. ANTI-BACKSLIDING.**

3 Section 211 of the Clean Air Act (42 U.S.C. 7545)  
4 (as amended by section 12062) is amended by adding at  
5 the end the following:

6 “(u) PREVENTION OF AIR QUALITY DETERIORA-  
7 TION.—

8 “(1) STUDY.—

9 “(A) IN GENERAL.—Not later than 18  
10 months after the date of enactment of the  
11 Biofuels for Energy Security and Transpor-  
12 tation Act of 2007, the Administrator shall  
13 complete a study to determine whether the re-  
14 newable fuel volumes required by that Act will  
15 adversely impact air quality as a result of  
16 changes in vehicle and engine emissions of air  
17 pollutants regulated under this Act.

18 “(B) CONSIDERATIONS.—The study shall  
19 include consideration of—

20 “(i) different blend levels, types of re-  
21 newable fuels, and available vehicle tech-  
22 nologies; and

23 “(ii) appropriate national, regional,  
24 and local air quality control measures.

1           “(2) REGULATIONS.—Not later than 3 years  
2           after the date of enactment of the Biofuels for En-  
3           ergy Security and Transportation Act of 2007, the  
4           Administrator shall—

5                   “(A) promulgate regulations to implement  
6                   appropriate measures to mitigate, to the great-  
7                   est extent achievable, considering the results of  
8                   the study under paragraph (1), any adverse im-  
9                   pacts on air quality, as the result of the renew-  
10                  able volumes required by that Act; or

11                   “(B) make a determination that no such  
12                  measures are necessary.

13           “(3) OTHER REQUIREMENTS.—Nothing in the  
14           Biofuels for Energy Security and Transportation  
15           Act of 2007 supercedes or otherwise affects any  
16           Federal or State requirement under any other provi-  
17           sion of law that is more stringent than any require-  
18           ment of this title.”.